

## **Senate Bill No. 1198**

### **CHAPTER 181**

An act to amend Sections 19961 and 19962 of the Business and Professions Code, relating to gambling.

[Approved by Governor August 28, 2006. Filed with  
Secretary of State August 28, 2006.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 1198, Florez. Local gambling.

(1) Existing law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Division of Gambling Control within the Department of Justice.

The act requires any amendment to an ordinance that would result in an expansion of gambling, as defined, in a city, county, or city and county that permits controlled gambling, to be approved by a majority of the voters of the city, county, or city and county, unless the change results in an increase of less than 25% of, among other things, the maximum amount permitted to be wagered in a game.

This bill would revise the definition of "expansion of gambling" to remove an increase of 25% or more in the amount permitted to be wagered in a game from the definition. The bill would also apply the definition of "expansion of gambling" used in that provision to additional provisions of the Gambling Control Act.

(2) The Gambling Control Act provides that until January 1, 2010, an ordinance in effect on January 1, 1996, that authorizes legal gaming within a city, county, or city and county is prohibited from being amended to expand gaming in that jurisdiction beyond that permitted on January 1, 1996.

This bill would revise that provision to prohibit an ordinance that authorizes legal gaming from being amended to provide for an expansion of gambling, as defined in a related provision within the Gambling Control Act. The bill would also authorize any city, county, or city and county to amend its ordinance regarding wagering limits.

*The people of the State of California do enact as follows:*

SECTION 1. Section 19961 of the Business and Professions Code is amended to read:

19961. (a) (1) Except as provided in paragraph (2), on or after the effective date of this chapter, any amendment to any ordinance that would result in an expansion of gambling in the city, county, or city and county, shall not be valid unless the amendment is submitted for approval to the voters of the city, county, or city and county, and is approved by a majority of the electors voting thereon.

(2) Notwithstanding paragraph (1) and Section 19962, an ordinance may be amended without the approval of the electors after the effective date of this chapter to expand gambling by a change that results in an increase of less than 25 percent with respect to any of the matters set forth in paragraphs (1), (2), (3), and (5) of subdivision (b). Thereafter, any additional expansion shall be approved by a majority of the electors voting thereon.

(b) For the purposes of this article, “expansion of gambling” means, when compared to that authorized on January 1, 1996, or under an ordinance adopted pursuant to subdivision (a) of Section 19960, whichever is the lesser number, a change that results in any of the following:

(1) An increase of 25 percent or more in the number of gambling tables in the city, county, or city and county.

(2) An increase of 25 percent or more in the number of licensed card rooms in the city, county, or city and county.

(3) An increase of 25 percent or more in the number of gambling tables that may be operated in a gambling establishment in the city, county, or city and county.

(4) The authorization of any additional form of gambling, other than card games, that may be legally played in this state, to be played at a gambling establishment in the city, county, or city and county.

(5) An increase of 25 percent or more in the hours of operation of a gambling establishment in the city, county, or city and county.

(c) The measure to expand gambling shall appear on the ballot in substantially the following form: “Shall gambling be expanded in \_\_\_\_ beyond that operated or authorized on January 1, 1996, by \_\_\_\_ (describe expansion) Yes \_\_\_\_ No \_\_\_\_.”

(d) The authorization of subdivision (c) is subject to Sections 19962 and 19963 until those sections are repealed.

(e) Increasing the number of games offered in a gambling establishment does not constitute an expansion of gambling pursuant to this section.

(f) No city, county, or city and county shall amend its ordinance in a cumulative manner to increase gambling by more than 25 percent for the factors listed in subdivision (b), when compared to that authorized on January 1, 1996, without conducting an election pursuant to this section.

SEC. 2. Section 19962 of the Business and Professions Code is amended to read:

19962. (a) On and after the effective date of this chapter, neither the governing body nor the electors of a county, city, or city and county that has not authorized legal gaming within its boundaries prior to January 1, 1996, shall authorize legal gaming.

(b) An ordinance in effect on January 1, 1996, that authorizes legal gaming within a city, county, or city and county may not be amended to provide for an expansion of gambling, as defined in Section 19961, in that jurisdiction beyond that permitted on January 1, 1996.

(c) Notwithstanding any other provision of law, a city, county, or city and county may amend its ordinance regarding wagering limits.

(d) This section shall remain operative only until January 1, 2010, and as of that date is repealed.

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